

State of South Dakota

EIGHTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 2008

400P0152

HOUSE BILL NO. 1010

Introduced by: The Committee on Taxation at the request of the Department of Revenue and Regulation

1 FOR AN ACT ENTITLED, An Act to provide for the revision of the definition of
2 telecommunication services for taxation purposes.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-45-6.1 be amended to read as follows:

5 10-45-6.1. Except as provided in § 10-45-6.2, there is hereby imposed a tax of four percent
6 upon the gross receipts from providing any telecommunication service that originates or
7 terminates in this state and that is billed or charged to a service address in this state, or that both
8 originates and terminates in this state. However, the tax imposed by this section does not apply
9 to:

10 (1) Any eight hundred or eight hundred type service unless the service both originates
11 and terminates in this state;

12 (2) Any sale of a telecommunication service to a provider of telecommunication
13 services, including access service, for use in providing any telecommunication
14 service; or

15 (3) Any sale of interstate telecommunication service provided to a call center that has



1 been certified by the secretary of revenue to meet the criterion established in § 10-45-
2 6.3 and the call center has provided to the telecommunications service provider an
3 exemption certificate issued by the secretary indicating that it meets the criterion.

4 If a call center uses an exemption certificate to purchase services not meeting the criterion
5 established in § 10-45-6.3, the call center is liable for the applicable tax, penalty, and interest.

6 For the purposes of this section, the secretary shall define the term, telecommunication
7 service, ~~is the transmission of signs, signals, writings, images, sounds, messages, data, or other~~
8 ~~information of any nature by wire, radio, lightwaves, electromagnetic means~~ by rules
9 promulgated pursuant to chapter 1-26.